



**DEBRA BOWEN** | SECRETARY OF STATE  
STATE OF CALIFORNIA | ELECTIONS

1500 11th Street, 5th Floor | Sacramento, CA 95814 | Tel (916) 657-2166 | Fax (916) 653-3214 | [www.sos.ca.gov](http://www.sos.ca.gov)

December 11, 2007

TO: ALL COUNTY CLERKS/REGISTRARS OF VOTERS/PROPONENT  
(07256)

FROM:

  
KATHERINE MONTGOMERY  
Elections Analyst

SUBJECT: **INITIATIVE #1301**

Pursuant to Elections Code section 336, we transmit herewith a copy of the Title and Summary prepared by the Attorney General on a proposed initiative measure entitled:

**STATE INCOME TAX DEDUCTION  
FOR DIETARY SUPPLEMENTS  
AND CERTAIN FOODS. STATUTE.**

The proponent of the above-named measure is:

Bryan Tallman  
1260 Memorex Drive  
Santa Clara, CA 95050

(408) 348-6542

#1301

STATE INCOME TAX DEDUCTION  
FOR DIETARY SUPPLEMENTS  
AND CERTAIN FOODS. STATUTE.

CIRCULATING AND FILING SCHEDULE

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1. Minimum number of signatures required: ..... 433,971  
California Constitution, Article II, Section 8(b)
2. Official Summary Date: ..... Tuesday, 12/11/07
3. Petitions Sections:
  - a. First day Proponent can circulate Sections for  
signatures (Elec. Code § 336) ..... Tuesday, 12/11/07
  - b. Last day Proponent can circulate and file with the county.  
All sections are to be filed at the same time within each  
county. (Elec. Codes §§ 336, 9030(a)). ..... Friday, 05/09/08
  - c. Last day for county to determine total number of  
signatures affixed to petitions and to transmit total  
to the Secretary of State (Elec. Code § 9030(b))..... Thursday, 05/21/08  
  
(If the Proponent files the petition with the county on a date prior to  
05/09/08, the county has eight working days from the filing of the petition  
to determine the total number of signatures affixed to the petition and to  
transmit the total to the Secretary of State) (Elec. Code § 9030(b)).
  - d. Secretary of State determines whether the total number  
of signatures filed with all county clerks/registrars of  
voters meets the minimum number of required signatures  
and notifies the counties..... Friday, 05/30/08\*
  - e. Last day for county to determine total number of qualified  
voters who signed the petition, and to transmit certificate  
with a blank copy of the petition to the Secretary of State  
(Elec. Code § 9030(d)(e)) ..... Monday, 07/14/08

\*Date varies based on the date of county receipt.

**INITIATIVE #1301**  
**Circulating and Filing Schedule continued:**

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(If the Secretary of State notifies the county to determine the number of qualified voters who signed the petition on a date other than 05/30/08, the last day is no later than the thirtieth working day after the county's receipt of notification). (Elec. Code § 9030(d)(e)).

- f. If the signature count is more than 477,369 or less than 412,273 then the Secretary of State certifies the petition as qualified or failed, and notifies the counties. If the signature count is between 412,273 and 477,369 inclusive, then the Secretary of State notifies the counties using the random sampling technique to determine the validity of **all** signatures (EC §9030(f)(g); 9031(a)) ..... Thursday, 07/24/08\*

- g. Last day for county to determine actual number of all qualified voters who signed the petition, and to transmit certificate with a blank copy of the petition to the Secretary of State. (Elec. Code § 9031(b)(c)). .....Friday, 09/05/08

(If the Secretary of State notifies the county to determine the number of qualified voters who have signed the petition on a date other than 07/24/08, the last day is no later than the thirtieth working day after the county's receipt of notification.) (Elec. Code § 9031(b)(c).)

- h. Secretary of State certifies whether the petition has been signed by the number of qualified voters required to declare the petition sufficient (Elec. Code §§ 9031(d), 9033) .....Tuesday, 09/09/08\*

\*Date varies based on the date of county receipt.

## IMPORTANT POINTS

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- California law prohibits the use of signatures, names and addresses gathered on initiative petitions for any purpose other than to qualify the initiative measure for the ballot. This means that the petitions cannot be used to create or add to mailing lists or similar lists for any purpose, including fundraising or requests for support. Any such misuses constitutes a crime under California law. Elections Code section 18650; *Bilofsky v. Deukmejian* (1981) 124 Cal.App.3d 825, 177 Cal.Rptr. 621; 63 Ops.Cal.Atty.Gen. 37 (1980).
- Please refer to Elections Code sections 100, 101, 104, 9001, 9008, 9009, 9021, and 9022 for appropriate format and type consideration in printing, typing and otherwise preparing your initiative petition for circulation and signatures. Please send a copy of the petition after you have it printed. This copy is not for our review or approval, but to supplement our file.
- Your attention is directed to the campaign disclosure requirements of the **Political Reform Act of 1974**, Government Code section 81000 et seq.
- When writing or calling state or county elections officials, provide the official title of the initiative which was prepared by the Attorney General. Use of this title will assist elections officials in referencing the proper file.
- When a petition is presented to the county elections official for filing by someone other than the proponent, the required authorization shall include the name or names of the persons filing the petition.
- When filing the petition with the county elections official, please provide a blank petition for elections official use.

EDMUND G. BROWN JR.  
Attorney General

State of California  
DEPARTMENT OF JUSTICE



1300 I STREET, SUITE 125  
P.O. BOX 944255  
SACRAMENTO, CA 94244-2550

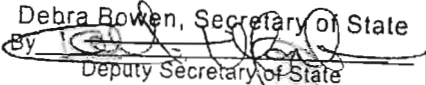
Public: (916) 445-9555  
Telephone: (916) 445-4752  
Facsimile: (916) 324-8835  
E-Mail: Krystal.Paris@doj.ca.gov

December 11, 2007

**FILED**  
In the office of the Secretary of State  
of the State of California

DEC 11 2007

Debra Bowen  
Secretary of State  
1500 - 11<sup>th</sup> Street, 5<sup>th</sup> Floor  
Sacramento, CA 95814

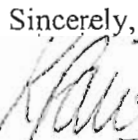
Debra Bowen, Secretary of State  
By  Deputy Secretary of State

RE: Title and Summary for Initiative No. 07-0072  
TITLE: STATE INCOME TAX DEDUCTION FOR DIETARY SUPPLEMENTS AND  
CERTAIN FOODS. STATUTE.

Dear Ms. Bowen:

Pursuant to the provisions in sections 336 and 9004 of the Elections Code, enclosed please find a copy of the Title and Summary issued for Initiative Number 07-0072, along with the text of the proposed measure.

Please feel free to contact me with any questions.

Sincerely,  


KRYSTAL PARIS  
Initiative Coordinator

For EDMUND G. BROWN JR.  
Attorney General

Enclosures

**Proponent's public information:**

Bryan Tallman  
Communications Manager  
Dr. Rath Education Services USA, BV  
1260 Memorex Drive  
Santa Clara, CA 95050

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

STATE INCOME TAX DEDUCTION FOR DIETARY SUPPLEMENTS AND CERTAIN

FOODS. STATUTE. Allows medical expense deductions on state income tax returns for costs of dietary supplements and food for special dietary needs. Dietary supplements include tablets, capsules, powder, and measured doses of liquid that contain vitamins, minerals, herbs, amino acids, or dietary substances, but do not include conventional food products. Foods for special dietary needs are those consumed due to a medical condition, for supplementing the diet, or as the sole item of the diet. Medical condition includes disease, pregnancy, lactation, infancy, food allergy, overweight and underweight. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Annual ongoing reduction in state revenues of approximately \$200 million, assuming the measure's effect is only to add a new above-the-line deduction for dietary supplements and foods for special dietary needs.

(Initiative 07-0072.)

October 5, 2007

Office of the Attorney General  
ATTN: Initiative Coordinator  
1300 I Street  
Sacramento, CA 95814  
916-324-5490

**RECEIVED**

OCT 17 2007

INITIATIVE COORDINATOR  
ATTORNEY GENERAL'S OFFICE

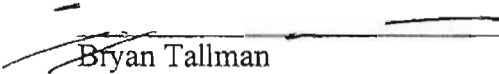
Request for Title and Summary

Dear Sir or Madam:

This letter serves as a formal request that the California Attorney General prepare a title and summary of the chief purpose and points of the proposed initiative (Section 9002).

The full text of the proposed initiative is enclosed, as is the \$200.00 fee.

Regards,

  
Bryan Tallman

Communications Manager

Dr. Rath Education Services USA, BV

1260 Memorex Drive

Santa Clara, CA 95050

408-348-6542

b.tallman@drath.com

10.5.7  
Date

## INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

*(Insert title and summary provided by CA Attorney General here)*

### TO THE HONORABLE SECRETARY OF STATE OF CALIFORNIA

We, the undersigned, registered, qualified voters of California, residents of \_\_\_\_\_ County (or City and County), hereby propose amendments to the Revenue and Taxation Code, relating to tax deductions, and petition the Secretary of State to submit the same to the voters of California for their adoption or rejection at the next succeeding general election or at any special statewide election held prior to that general election or otherwise provided by law. The proposed amendments (full title and text of measure) read as follows:

SECTION 1. The people of the State of California find and declare all of the following:

(a) The importance of nutrition and the benefits of dietary supplements to health promotion and disease prevention has increasingly been documented in scientific studies.

(b) There is a link between the ingestion of certain nutrients or dietary supplements and the prevention of chronic diseases such as cancer, heart disease, and osteoporosis. Clinical research has shown that several chronic diseases can be prevented simply with a healthful diet that is low in fat, saturated fat, cholesterol, and sodium, with a high proportion of plant-based foods. Healthful diets may mitigate the need for expensive medical procedures like coronary bypass surgery or angioplasty.

(c) Preventive health measures, including education, good nutrition, and appropriate use of safe nutritional supplements, will limit the incidence of chronic diseases and reduce long-term health care expenditures. The promotion of good health and healthy lifestyles improves and extends lives while also

reducing health care expenditures. Reducing health care expenditures is of paramount importance to the future of the state and the economic well-being of the state.

(d) Consumers should be empowered to make choices about preventative health care programs based on data from scientific studies of health benefits related to particular dietary supplements.

(e) Studies indicate that consumers are increasingly relying on nontraditional health care providers to avoid the excessive costs of traditional medical services and to obtain more holistic consideration of their needs.

(f) National surveys have revealed that many Americans regularly consume dietary supplements of vitamins, minerals, or herbs as a means of improving their nutrition. Dietary supplements are of benefit to human health and are safe within a broad range of intake, whereas safety problems associated with the supplements are relatively rare.

(g) Individuals with chronic conditions like heart disease, diabetes, chronic inflammatory conditions, metabolic disorders, and children with inborn metabolic disorders and autism, frequently require daily dietary interventions as well as medical interventions to manage their conditions. Dietary interventions often become a significant economic burden on those individuals and their families.

(h) The impact of allowing a medical expense tax deduction will be positive, as it will encourage individuals to proactively support their own health with the result of a healthier population in our state, a lessened need for medical interventions, and a decrease in the overall burden on the state's health care system.

SECTION 2. Subsection 17072(c) is added to the Revenue and Taxation Code, to read:

17072. (c) Section 62(a) of the Internal Revenue Code is modified to provide that the term "adjusted gross income" includes, in the case of an individual, gross income minus the amount of costs paid or incurred by a taxpayer, his spouse, or a dependent (as defined in section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof) during the taxable year for dietary supplements and foods for special dietary needs.

(1) For purposes of this subsection:

(A) "Dietary supplement" means a product that is all of the following:

(i) Intended to supplement the diet and bears or contains one or more of the following dietary ingredients:

- a) A vitamin.
- b) A mineral.
- c) An herb or other botanical.
- d) An amino acid.
- e) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake.
- f) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in clauses a) to e), inclusive.

(ii) a) Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form. If the product is not intended for ingestion in a form described in the preceding sentence, the product is not represented as conventional food and is not represented for use as a sole item of a meal or diet.

b) For purposes of this subparagraph, a product shall be considered intended for ingestion in liquid form only if it is formulated in a fluid carrier and is intended for ingestion in daily quantities measured in drops or similar small units of measure.

(iii) Is labeled as a dietary supplement.

(B) "Food for special dietary needs" means food for human consumption that is any of the following:

- (i) Consumed to treat or control a medical condition.
- (ii) It fulfills a special dietary need that arises because of a medical condition.
- (iii) Consumed as a substitute for certain types of food because a medical condition prevents or prohibits the consumption of those types of food.

(iv) It supplies a vitamin, mineral, or other ingredient used to supplement a diet by increasing the total dietary intake.

(v) It fulfills a special dietary need because it is used as the sole item of the diet.

(2) The deduction provided for by this subsection shall apply to taxable years in accordance with subdivision (a) of section 17034.

SECTION 3. Section 17204 is added to the Revenue and Taxation Code, to read:

17204. (a) For purposes of the deduction allowed by Section 17201, Section 213(d) of the Internal Revenue Code is modified to provide that “medical care” includes the amount of costs paid or incurred by a taxpayer, his spouse, or a dependent (as defined in section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof) during the taxable year for dietary supplements and foods for special dietary needs.

(b) For purposes of this section:

(1) “Dietary supplement” means a product that is all of the following:

(A) Intended to supplement the diet and bears or contains one or more of the following dietary ingredients:

(i) A vitamin.

(ii) A mineral.

(iii) An herb or other botanical.

(iv) An amino acid.

(v) A dietary substance for use by humans to supplement the diet by increasing the total dietary intake.

(vi) A concentrate, metabolite, constituent, extract, or combination of any ingredient described in clauses (i) to (v), inclusive.

(B) (i) Is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form. If the product is not intended for ingestion in a form described in the preceding sentence, the product is not represented as conventional food and is not represented for use as a sole item of a meal or diet.

(ii) For purposes of this subparagraph, a product shall be considered intended for ingestion in liquid form only if it is formulated in a fluid carrier and is intended for ingestion in daily quantities measured in drops or similar small units of measure.

(C) Is labeled as a dietary supplement.

(2) "Food for special dietary needs" means food for human consumption that is any of the following:

(A) Consumed to treat or control a medical condition.

(B) It fulfills a special dietary need that arises because of a medical condition.

(C) Consumed as a substitute for certain types of food because a medical condition prevents or prohibits the consumption of those types of food.

(D) It supplies a vitamin, mineral, or other ingredient used to supplement a diet by increasing the total dietary intake.

(E) It fulfills a special dietary need because it is used as the sole item of the diet.

(3) "Medical condition" means any of the following:

(A) A genetic, physical, physiological, or other conditions, including, but not limited, to convalescence, pregnancy, lactation, infancy, allergic hypersensitivity to food, underweight, overweight, or the need to control the intake of sodium.

(B) A disease, including, but not limited to, cardiovascular disease, acquired immune deficiency syndrome, cancer, or diabetes.

(c) The deduction provided for by this section shall apply to taxable years in accordance with subdivision (a) of section 17034.

SECTION 3. This act may be amended by the Legislature by a measure passed in each house, by rollcall vote entered in the journal, two-thirds of the membership of each house concurring, that is consistent with and furthers the purpose of the act.